

## Message Text

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SUBJ: SEMINAR ON CANAL ISSUE: III. THE REVISIONIST APPROACH TO  
NEGOTIATIONS

REF: A) PANAMA 6178

B) PANAMA 6206

C) PANAMA A-5

SUMMARY. THIS CABLE IS THE THIRD IN A SERIES OF REPORTS ABOUT PANAMANIAN ATTITUDES CONCERNING NEGOTIATION WITH THE U.S. ON THE CANAL ISSUE AS EXPRESSED DURING THE SEMINAR IN OCTOBER SPONSORED BY THE NATIONAL COUNCIL OF PRIVATE ENTERPRISE (CONEP). PANAMANIANS USE THE TERM "REVISIONIST" TO DESCRIBE NEGOTIATIONS BETWEEN THE U.S. AND PANAMA DURING THE PERIOD 1903-1964 AND WHICH WERE CHARACTERIZED BY PANAMA'S ATTEMPTS TO ACHIEVE CHANGES IN THE 1903 TREATY AND THE U.S. INTERPRETATIONS OF IT. SEMINAR PARTICIPANTS CONCLUDED THAT THIS APPROACH FAILED FROM PANAMA'S VIEWPOINT BECAUSE ITS NEGOTIATORS WERE FORCED TO NEGOTIATE ON THE BASIS OF THE 1903 TREATY (INCLUDING U.S. INTERPRETATIONS OF IT), THE RELATIVE POWER OF THE TWO SIDES WAS DISPARATE, AND PANAMA RELIED UPON APPEALS TO REASON AND JUSTICE RATHER THAN THE APPLICATION OF PRESSURE. THIS PERCEPTION OF THE FAILURE OF THE  
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REVISIONIST APPROACH HAS SHAPED THE PRESENT PANAMANIAN NEGOT-

IATING STRATEGY WHICH NO LONGER ACCEPTS THE 1903 TREATY AS A STARTING POINT AND WHICH HAS INCLUDED THE USE OF PRESSURE TACTICS TO FORCE THE U.S. TO CONCENTRATE ON THE CANAL ISSUE AND TO SEEK A NEW RELATIONSHIP WITH PANAMA OVER THE CANAL. END SUMMARY.

1. THE REFERENCED AIRGRAM PROVIDES GREATER DETAIL OF THE CONEP SEMINAR PARTICIPANTS' DESCRIPTION AND ANALYSIS OF THE "REVISIONIST" OR "PRACTICAL TRADITIONALIST" APPROACH TO NEGOTIATION BY WHICH PANAMA ATTEMPTED TO NEGOTIATE CHANGES IN THE 1903 TREATY DURING THE PERIOD 1903-1964. DURING THE EARLY YEARS OF THE PERIOD, PANAMA'S EFFORTS WERE FOCUSED ON PERSUADING THE U.S. TO REVISE ITS INTERPRETATIONS OF THE TREATY AND TO CONSULT WITH PANAMA PRIOR TO MAKING INTERPRETATIONS OF THE TREATY. THE SEMINAR PANELISTS UNANIMOUSLY CONCLUDED THAT THESE ATTEMPTS FAILED. ALTHOUGH PANAMA OCCASIONALLY HAD MADE GAINS IN TERMS OF ECONOMIC BENEFITS IT CONSISTENTLY LOST GROUND TO THE U.S. ON POLITICAL ISSUES AND THE U.S. OVER TIME HAD STRENGTHENED THEREBY THE LEGAL BASIS FOR ITS PRESENCE IN THE CANAL ZONE AND SOME OF ITS UNILATERAL INTERPRETATIONS OF THE TREATY.

2. PANAMA'S ONLY VICTORIES, ACCORDING TO SOME SPEAKERS, HAD COME ABOUT WHEN THE U.S. HAD BECOME TOO DEMANDING AND HAD STIMULATED STRONG POLITICAL REACTIONS IN PANAMA. EXAMPLES WERE THE PROPOSED 1926 TREATY AND THE DRAFT 1947 FILO-HINES BASE AGREEMENT. SPEAKERS ALLEGED THAT HAD THE U.S. ASKED FOR SLIGHTLY LESS IN THE NEGOTIATIONS LEADING TO THOSE TWO DRAFT AGREEMENTS, THEY WOULD HAVE BEEN ACCEPTED BY THE PANAMANIAN PEOPLE. FORTUNATELY FOR PANAMA, THEY SAID, THESE AGREEMENTS HAD NOT BEEN APPROVED BECAUSE, EVEN IF MODERATED SOMEWHAT, THEY WOULD HAVE FURTHER STRENGTHENED AND LEGITIMIZED THE U.S. PRESENCE IN PANAMA. UNDER THE FILO-HINES AGREEMENT OF 1947, THE U.S. WOULD HAVE BEEN PERMITTED TO MAINTAIN A NUMBER OF MILITARY BASES IN PANAMA. ITS REJECTION GAVE A STRONG BOOST TO PANAMANIAN NATIONALISM AND GAVE THE STUDENT MOVEMENT ITS FIRST VICTORY.

3. HISTORIAN DIOGENES DE LA ROSA WARNED THAT THE EASY GOING, PEACEFUL NATURE OF THE PANAMANIAN PEOPLE, HOWEVER ADMIRABLE THIS MIGHT BE, HAD BEEN A HANDICAP TO PANAMA. PANAMANIAN DID LIMITED OFFICIAL USE

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NOT CARRY GRUDGES FOR PAST TRANSGRESSIONS AGAINST THEM. THIS WAS ONE REASON FOR THE OPTIMISM WHICH HAD INDUCED THEM TO ACCEPT BAD BARGAINS IN THE PAST. PARTLY BECAUSE OF THIS PANAMANIAN NATIONALISM HAD BEEN SLOW IN DEVELOPING AND PANAMA HAD BEEN TOO MODERATE IN PUSHING FOR A REDRESS OF THE BALANCE IN THE CANAL RELATIONSHIP.

4. THE SEMINAR PARTICIPANTS GENERALLY AGREED THAT THE "REVISION-

IST" APPROACH TO NEGOTIATION HAD BEEN DOOMED TO FAILURE BECAUSE IT USED THE 1903 TREATY AS A BASE FOR NEGOTIATION AND BECAUSE THE RELATIVE SIZE AND POWER OF THE TWO SIDES WERE SO DISPARATE THAT PANAMA'S DEMANDS COULD BE IGNORED BY THE U.S. ALTHOUGH THE GOP OFFICIALS ON THE SEMINAR PANEL DEFENDED PREVIOUS PANAMANIAN NEGOTIATORS AS HAVING ACHIEVED THE MAXIMUM POSSIBLE UNDER THE CIRCUMSTANCES OF THEIR TIMES (A DEFENSE WHICH WOULD HAVE BEEN UNTHINKABLE 3 YEARS AGO), SOME PARTICIPANTS RAISED CHARGES OF INCOMPETENCE AND LACK OF INTEGRITY CONCERNING PAST NEGOTIATORS.

5. COMMENT. THE PERCEPTIONS OF THE HISTORY EXPRESSED BY THE SEMINAR PARTICIPANTS ARE COMMONLY SHARED IN PANAMANIAN SOCIETY AND ARE THE REASON THAT, AFTER 1968, PANAMANIAN LEADERS DECIDED TO ADOPT THE TACTICS THAT THEY HAVE SINCE USED. THEY ARE CONVINCED THAT THE USG WILL NOT RESPOND TO APPEALS TO JUSTICE AND REASON UNLESS THESE ARE SUPPLEMENTED WITH PRESSURE. THIS EXPLAINS WHY EVEN PANAMANIAN WHO ARE U.S.-EDUCATED, WITH CLOSE BUSINESS AND FAMILY TIES IN THE U.S. AND WHO IDENTIFY WITH THE U.S. ON NEARLY ALL ISSUES, AVOCATE TACTICS DESIGNED TO EMBARRASS AND EXERT PRESSURE ON THE U.S. WHEN THE CANAL ISSUE IS INVOLVED. THEIR SENSE OF PAST IMPOTENCE IN DEALING WITH THE U.S., COUPLED WITH NAGGING DOUBTS BY SOME PEOPLE CONCERNING THE COMPETENCE AND INTEGRITY OF PREVIOUS NEGOTIATORS HAVE CAUSED PANAMANIAN TO BE SUSPICIOUS THAT EVEN THE TORRIJOS GOVENMENT MIGHT ALSO YIELD TO PRESSURE, BE DUPED, OR WORSE YET, BETRAY THE NATIONAL INTEREST IN AN UNDER-THE-TABLE DEAL. THESE ARE THE REALITIES WITH WHICH TORRIJOS AND HIS NEGOTIATORS MUST CONTEND IN NEGOTIATING A NEW TREATY.  
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